

# LYNCHBURG CITY COUNCIL

## Agenda Item Summary

MEETING DATE: **December 13, 2005**

AGENDA ITEM NO.: 12

CONSENT:

REGULAR: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Common Goods Fee Reduction**

RECOMMENDATION: Adopt the attached Ordinance reducing the Common Goods Fee from the current level of \$5.00 per month per household to \$4.40 per month per household effective January 1, 2006.

SUMMARY: City Council conducted deliberations regarding the Common Goods Fee in May and June and voted to lower the \$5.00 per month fee to a level estimated to exactly cover anticipated expenses of \$4.40 per month per household.

The Common Goods Fee was implemented in January 2004 to pay for certain residential and community solid waste management services that had previously been funded by the Solid Waste Management Fund Balance. The fee was established as part of the effort to bring the fund onto a solid financial footing and was chosen in lieu of several alternatives including additional support from the General Fund or an increase in the decal/tag fees. Fee revenues are estimated at \$1,110,000 for FY 2006 and will offset costs for refuse collection, overhead, litter and debris pickup, brush and bulk/white goods collection, household hazardous waste management, and recycling.

When the flat fee was originally considered it was estimated that an amount of \$4.22 per month would cover the projected costs. Nevertheless, Council set the fee at \$5.00 per month. Although some costs have increased, an improved bottom line in the recycling program from corrugated cardboard and the elimination of glass recycling, along with a slightly higher than projected number of households indicates that for Fiscal Year 2006 a flat fee of \$4.40 per month would cover projected expenses in the designated categories.

A reduction in the flat fee to \$4.40 would save each household \$7.20 per year and would reduce revenues to the Solid Waste Management Fund by \$141,700.

Although Council voted to reduce the fee last June, it has been realized that the fee is established in City Code, thereby necessitating the recommended action.

PRIOR ACTION(S):

- June 28, 2005, City Council voted (7-0) to decrease the Common Goods Fee to \$4.40 per month per household with an effective date of January 1, 2006.
- May 24, 2005, City Council discussed various options to cover service delivery expenses regarding the Common Good Fee at the Work Session.
- April 12, 2005, during budget deliberations, Council directed that this matter be brought to a future work session.
- February 11, 2003, City Council adopted Common Goods Fee with an implementation date of January 2004.

FISCAL IMPACT: As noted above.

CONTACT(S): Kimball Payne, Dave Owen

ATTACHMENT(S): Proposed Ordinance Amendment

REVIEWED BY: lkp

## ORDINANCE

AN ORDINANCE TO AMEND AND REENACT SECTION 21.2-31. DISPOSAL FEES, OF THE CODE OF THE CITY OF LYNCHBURG, 1981, THE AMENDED SECTION RELATING TO THE COMMON GOODS FEE FOR SOLID WASTE DISPOSAL.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Section 21.2-31 of the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted as follows:

Sec. 21.2-31. Disposal fees.

(a) Refuse collected pursuant to section 21.2-26 of this code must be contained within (i) a plastic bag displaying an appropriate official city tag, (ii) an approved container with an appropriate official city tag on the handle of the approved container or on top of the refuse in the approved container, (iii) an approved container displaying a valid city decal, or (iv) a bundle meeting the specifications in this chapter displaying an appropriate official city tag. Official city refuse tags and annual decals shall be available for purchase at those locations designated by the city manager or his designee. A list of the currently designated locations for the purchase of tags or decals will be available for review at the city collections division during regular business hours. Decals will be sold at the collection division windows of city hall during regular business hours and through the mail pursuant to a system approved by the city manager or his designee and at such other locations as may be approved by the city manager or his designee.

(b) Tags for plastic bags and approved containers with a volume up to thirty-two (32) gallons or for bundles not to exceed fifty (50) pounds shall cost ninety-five cents (\$0.95) per tag. Tags for trash carts with a volume of sixty-four (64) gallons shall cost one dollar and ninety cents (\$1.90) per tag.

(c) Annual decals for once per week pickup for reusable trash carts with a volume of up to thirty-two (32) gallons shall cost forty dollars (\$40.00) each. Annual decals for once per week pickup for reusable trash carts with a volume of sixty four (64) gallons shall cost eighty dollars (\$80.00) each. Such decals shall be valid for a twelve (12) month period beginning October 1 through September 30 of each year. The cost for an annual decal will be prorated on a monthly basis by paying the following percentages of the annual decal:

<u>Period</u>	<u>Percentage of Full Price</u>
September 1 – October 31	100%
November 1 – November 30	92%
December 1 – December 31	84%
January 1 – January 31	76%
February 1 – February 28	68%
March 1 – March 31	60%
April 1 – April 30	52%
May 1 – May 31	44%
June 1 – June 30	36%
July 1 – July 31	28%
August 1 – August 31	20%

Such decals are transferrable from one address to another upon the approval of the city manager or his designee. All such decals shall prominently display the year of the decal and street address of the location of the trash container. In the event the person purchasing a decal moves outside the city or goes out of business, the purchaser shall be entitled to receive a prorated refund on a monthly basis for that portion of the year the decal will not be used. A request for a refund must be made no later than thirty (30) days after the end of the year for which the decal was issued. Before issuing a refund the director of finance may require satisfactory evidence that a decal for which the refund is sought has been destroyed. For purposes of

proration, a period of more than one-half ( $\frac{1}{2}$ ) of a month shall be counted as a full month and a period of less than one-half ( $\frac{1}{2}$ ) of a month shall not be counted.

(d) In certain areas designated by the city manager or his designee for twice per week pickup, annual decals for twice per week pickup for reusable trash carts with a volume of up to thirty-two (32) gallons shall cost eighty dollars (\$80.00) each. In those same areas, annual decals for twice per week pickup for reusable trash carts with a volume of sixty four (64) gallons shall cost one hundred sixty dollars (\$160.00). Such decals shall be valid for a twelve (12) month period beginning October 1 through September 30 of each year. The cost for an annual decal will be prorated on a monthly basis by paying the following percentages of the annual decal:

<u>Period</u>	<u>Percentage of Full Price</u>
September 1 – October 31	100%
November 1 – November 30	92%
December 1 – December 31	84%
January 1 – January 31	76%
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In the event the person purchasing a decal moves outside the city or goes out of business, the purchaser shall be entitled to receive a prorated refund on a monthly basis for that portion of the year the decal will not be used. A request for a refund must be made no later than thirty (30) days after the end of the year for which the decal was issued. Before issuing a refund the director of finance may require satisfactory evidence that a decal for which the refund is sought has been destroyed. For purposes of proration, a period of more than one-half ( $\frac{1}{2}$ ) of a month shall be counted as a full month and a period of less than one-half ( $\frac{1}{2}$ ) of a month shall not be counted. Such decals are transferrable from one address to another upon the approval of the city manager or his designee. All such decals shall prominently display the year of the decal and street address of the location of the trash container.

(e) The owner or operator of any location designated to sell refuse tags or annual decals shall be compensated for accounting and remitting the fee levied for the purchase of the tags. Such compensation shall be a deduction of three percent (3%) of the amount of the fee from the sale of such tags or decals. The deduction shall be accounted for in the accounting report submitted to the city with the fees from the sale of the tags, provided that the amount due is not delinquent at the time of payment. The city manager or his designee shall establish criteria for the designation of locations and the accounting and payment procedures by the owners and operators of the designated locations. The fees collected from the sale of tags and decals are public funds and shall be held in trust for the city by the person collecting the same. It shall be a criminal offense for the person holding such fees to use them for any purpose whatsoever.

(f) Beginning October 1, 2003, the city manager or his designee shall have the authority to issue thirty-two (32) gallon annual decals at no cost to disadvantaged citizens or families and to elderly or permanently and totally disabled citizens who qualify for the tax relief and to the residents of the Pleasant Valley/Tyreeanna Neighborhood, who own and occupy an existing dwelling as of July 1, 2003, pursuant to Section 36-175 of the city code upon criteria to be developed by the city manager or his designee. Anyone who is eligible to receive a thirty-two (32) gallon annual decal at no cost shall have the option to use a sixty-four (64) gallon cart by purchasing an annual decal for forty dollars (\$40.00) which is one half ( $\frac{1}{2}$ ) the standard annual decal fee for such cart. Thirty-two (32) gallon annual decals may also be issued at no cost to other citizens based on criteria developed by city council when council determines by resolution that it is in the public interest for such citizens to receive no cost decals. Disadvantaged citizens or families and elderly or permanently and totally disabled citizens that live in multi-family dwellings and trailer courts that do utilize the city's refuse collection services shall not be entitled to a free annual decal or refuse tags.

(g) Except as allowed in this chapter, no refunds in whole or in part shall be allowed for tags which are unused, lost, destroyed or stolen. Except as allowed in this chapter, no refuse disposal fees shall be discounted, waived or suspended.

(h) In the event any annual decal issued under this chapter shall be lost, stolen or destroyed, the person to whom the decal was issued may make application to the collections division and obtain a duplicate decal upon furnishing information of such fact, by affidavit or other evidence that is satisfactory to the director of finance/director of human services. Any person providing false or intentionally misleading information to the collections division/social services division under this section shall be guilty of a class 3 misdemeanor and the collections division/social services division shall revoke any duplicate decal issued as a result of such false or intentionally misleading information.

(i) The city manager or his designee shall have the authority to provide for refuse collection and disposal on a limited basis at no cost for city sponsored specific community clean-up or litter reduction efforts. The city manager or his designee shall use color-coded plastic bags or approved containers, or other special arrangements which are necessary or appropriate for the administration of such cleanup or litter reduction efforts.

(j) The city manager or his designee shall have the authority to adjust or suspend fees due to natural disasters such as fires, floods and severe storms pursuant to criteria to be developed by the city manager or his designee.

(k) A ~~five dollar (\$5.00)~~ four dollar and forty cents (\$4.40) solid waste fee for the collection, management and disposal of solid waste will be charged to all single-family households and to multi-family complexes with up to four (4) units utilizing city solid waste services. This fee shall be added to the city's bill for water and sewer charges and shall be paid on the same schedule as the city's water and sewage charges, due and payable in the billings and collections division in the same manner prescribed for water and sewage charges as established by the city code and if not so paid, shall carry the same penalties and interest as prescribed in the city code. If the monies received in payment of the water and sewage charges and the solid waste collection, management and disposal fee are not sufficient to pay the outstanding balance in full, including any penalties and interest, the solid waste collection, management and disposal fee and any penalties or interest attributed thereto shall be considered to be paid first out of the monies collected. The billings and collections division will send a separate bill to those households and multi-family complexes which do not have water or sewer service.

2. That this ordinance shall become effective on January 1, 2006.

Adopted:

Certified:

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Clerk of Council